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USDOC FOR 532/OEA/M. NICKSON-D/JAY HATFIELD  
USDOC FOR 3131/USFCS/OIO/ANESA/KREISSL  
USDOC FOR 4530/MAC/ANESA/OSA  
ICE HQ FOR STRATEGIC INVESTIGATIONS  
STATE FOR EB/ESP

E.O. 12958: N/A

TAGS: [ETTC](#) [ETRD](#) [BEXP](#) [IN](#)

SUBJECT: EXTRANCHECK: POST-SHIPMENT VERIFICATION: HINDUSTAN  
AERONAUTICS LTD., FOUNDRY & FORGE DIVISION, BANGALORE, LICENSE NO.  
D355880

REF: USDOC 09451

11. Unauthorized disclosure of the information provided below is prohibited by Section 12(c) of the Export Administration Act.

12. On November 26, 2007, Export Control Officer (ECO) Paul Cushman and BIS FSN Prem Narayan conducted a Post-shipment Verification (PSV) at Hindustan Aeronautics Ltd. (HAL), Foundry & Forge Division (F&FD), Bangalore.

13. BIS requested a PSV at HAL F&FD, an entity within the Ministry of Defence (MOD), GOI. HAL F&FD was listed as the ultimate consignee for VASCOMAX C-250 nickel maraging alloy controlled under ECCN 1C216. The license applicant was ALLVAC, Inc., Monroe, North Carolina.

14. ECO and FSN Narayan met with V. Swaminathan, Chief Manager, Integrated Materials Manager (IMM) and Fernandez, Senior Manager, HAL F&FD. Randhir Jaiswal, Deputy Secretary (AMS), Ministry of External Affairs (MEA), facilitated the meeting. Jaiswal was also present at the meeting.

15. HAL officials stated that they regularly source nickel maraging alloy from ALLVAC. HAL officials provided documentation for multiple transactions, which exhausted this license. They also stated that the manufacturer is never able to supply the exact quantity ordered. It is produced in batches that can vary up to ten percent, more or less than the quantity requested. This potential variation is a condition agreed to by both sides before the order is filled.

16. Details of the consignment documents provided by HAL are listed below:

(a) HAL Purchase Order 2/20/2584 for 5,300 kgs against ALLVAC Invoice 07577926 for 4,568 kgs and HAL Receiving Report confirming receipt of 4,568 kgs.

(b) HAL Purchase Order 2/20/3953 for 4,082 kgs against ALLVAC Invoice 07521713 for 4,485 kgs and HAL Receiving Report confirming receipt of 4,253 kgs.

(c) HAL Purchase Orders 2/20/4074/1 for 2,100 kgs, 2/20/4074/2 for 8,200 kgs, and 2/20/4074/3 for 7,800 kgs against ALLVAC Invoices 07523054, 07523114 07523115 for 2,095 kgs, 8,911 kgs, and 8194 kgs, and three HAL Receiving Reports confirming receipt of 2,095 kgs, 8,911 kgs, and 8,194 kgs.

17. HAL officials provided a copy of the completed form BXA-711 for

this license. Swaminathan confirmed the stated end-use. The alloy was used to produce landing gear components for the Advanced Light Helicopter (ALH). Swaminathan stated that all of the nickel maraging alloy purchased under the subject license has been consumed. To illustrate his point, he provided a computer-generated disposition log for the nickel maraging alloy obtained under this license. Swaminathan stated that ALLVAC provided to HAL F&FD a copy of the export license with the license conditions listed on it.

¶8. Established in 1953, HAL Foundry & Forge Division manufactures castings, forgings, rolled rings, brake-pads and rubber products for the aeronautics, space, defense, locomotive, heavy equipment and other industries. The division has the infrastructure and expertise to manufacture radiographic-quality castings to international standards. The majority of their work involves alloy fabrication, semi-continuous cast billets, aluminum alloy castings and magnesium alloy castings. The Foundry and Forge Division employs approximately 695 personnel.

¶9. Recommendation: Based on the interview with HAL officials and a careful review of the supporting documents they provided, it appears that HAL's Foundry and Forge Division received and consumed the listed commodity in accordance with the conditions of the license. However, because a physical inspection of the listed commodity could not be accomplished, this Post-shipment Verification remains inconclusive.

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